OFFICE OF THE COMMISSIONER OF PROFESSION TAX, KARNATAKA "VANIJYA THERIGE KARYALAYA,, BANGALORE-9

Dated 3rd June 1976.

CIRCULAR

Sub:—The Karnataka Tax on Profession, Traders, Callings and Employments, Act 1976 Procedure for deduction of tax from salary of Government employees.

No. PTL/CR.1/76-77. The Karnataka Tax on Profession, Trades, Callings and Employments, Act, 1976 and the Rules thereunder have come into force from 1st April 1976. They were published in the *Karnataka Gazette* on 29th April 1976 and 10th May 1976, respectively. Under the Act every employee of Government whose total salary or wage for a month is not less than Rs. 500 is liable to tax at the rate specified against the respective salary group in serial No 1 of Schedule to the Act. The rates are mentioned below for ready reference.

	Salary/Wage (per month)			Rate of Tax (per month)	
1.	Not less than	Rs. 500	but less than	Rs. 600	Rs. 3
2.	,,	Rs. 600	,,	Rs. 800	Rs. 6
3.	,,	Rs. 800	,,	Rs. 1000	Rs. 9
4.	,,	Rs. 1000	,,	Rs. 1200	Rs. 12
5.	,,	Rs. 1200	,,	Rs. 1500	Rs. 15
6.	,,	Rs. 1500	,,		Rs. 20

2 According to rule 16 of the said Rules, the Drawing and Disbursing Officers are responsible for the deduction of the due amount of tax in respect of the employees concerned from the pay bills or the Contingent Bills as the case may be. The pay and Accounts Officer is responsible for making deduction in respect of the Government employees whose salary is drawn and disbursed by him. In respect of other Gazetted or Non-Gazetted Officers who are their own drawing officers, the responsibility for making the deductions is on the concerned Treasury or Sub-Treasury Officer.

3. The Tax is required to be deducted every month. However, for the months of April and May' 76, such deduction is not likely to have been effected in many cases. In such cases, the deductions for these months may be made as follows.

(1) For the month of April' 1976 in the salary bill for June' 1976, along with the deduction for June 1976.

(2) For the month of May' 1976, in the salary bill for the month of July 1976 along with the deduction for July 1976.

In the case of Government employees liable to the tax and who are due to leave Government service before the end of June 1976, the due amount of tax for the period from April' 1976, should be deducted (to the extent such deduction has not been made) in the salary bill for the period immediately proceeding their exit from service.

4 The total amount of tax deducted from salary or wage bills requires to be credited to the head "028-Other Taxes on Income and Expenditure-Taxes on Profession, Trades Callings and Employment-II Tax on Employments,. Drawing Officers should enclose a statement of deduction of the tax in the Form appended to every pay or contingent bill in which deduction of Tax is effected.

5 The following are the Code Numbers assigned to the heads of account in respect of receipts under the Act, by the Government Computer Centre, Bangalore.

		Code No.
Major Head :—028 Other Taxes on Income and Expenditure :		
Major Head :—1.	Taxes on Profession, Trade and Callings	
Sub-Head :—I.	Taxes on Profession, Trade and Callings	028 010 0
II.	Tax on Employment	028 020 3
III.	Other Receipts	028 030 6
IV.	Deduct Refunds	028 049 5

6 The procedure for deduction of the tax in respect of Central Government employees has been laid down in Circular Memorandum No. F-10 (12)-B/64 dated 14th June 1975 issued by Government of India, Ministry of Finance (Department of Economic Affairs), As regards payment of tax the procedure indicated in para 4 applies.

7 The following points may be kept in view by the Drawing Officers in making deductions on account for the tax :—

(i) Arrears of salary or salary with-held for any period prior to 1st April 1976 and drawn after 1st April 1976 should not be reckoned for the purpose of the tax.

(ii) The total amount of salary drawn for a month is the basis for determining the rate of tax, irrespective of any change in the rate of salary during the course of that month.

(iii) In cases where the salary of a person happens to be drawn in more than one bill, deduction of the tax should be effected in the bill in which major portion of the salary for the month is drawn.

(iv) In cases where the salary of a person is revised for any period from or subsequent to April 1976 resulting in drawal of arrears of salary, the difference of tax, if any, should be deducted and paid on the basis of the rate of tax applicable to the revised amount of salary for the respective months.

8. The provisions of the Act and the Rules may be referred to where necessary.

894 R.A. NAIK, *Commissioner of Profession Tax.*

ENCLOSURE TO ESTABLISHMENT BILL

STATEMENT OF DEDUCTION OF PROFESSION TAX

For the month of.....credited during the month of.....

1. Name of the Office : 2. Total amount of the tax deducted (Rs.)

Amount (in words)

Date :

Place : .....;
Signature and Designation of the Drawing Officer

(To be credited to 0280203 (Code)

ENCLOSURE TO PAY BILLS OF OFFICERS WHO DRAW THEIR OWN SALARY

Statement of deduction of Profession Tax for the month of ..... credited during the month of.....

Name and Designation of the Officer Amount of tax deducted (Rupees)

Amount (in words)

Date :

Place . .....;
Signature the Drawing Officer.

(To be credited to 0280203 (Code)

OFFICE OF THE DIRECTOR, DEPARTMENT OF MINES AND GEOLOGY, RACE COURSE ROAD, P.B. No. 5355, BANGAORE-1

Notification, dated 25th June 1976

CERTIFICATE OF APPROVAL

No. 85/ACL/76, 9566. This is to certify that Sri C. R. Aswath B.E., is approved as qualified to acquire prospecting licences and mining leases in respect of all minerals except petroleum and natural gases in the State of Karnataka under the Mineral Concession Rules, 1960.

This certificate shall be valid upto the midnight of 31st December, 1976.

405 ....., *Director.*

CORRIGENDUM TO NOTIFICATIONS OF RESERVE BANK OF INDIA, PUBLIC DEBT OFFICE, BANGALORE.

Dated 25th June 1976.

On page No. 2490 in Part III-2 of *Karnataka Gazette* dated 11th December 1975 after the heading Notification please read "dated 11th December 1975".

On page No. 623 in Part III-2 of *Karnataka Gazette* dated 12th February 1976 under Part B in serial No. 1 of Column 7, please read 11th December 1975 instead of 11th December 1974 and in serial No. 6 of Column 7, please read 10th May 1973 instead of 10th May 1273.

398 B. N. RAMAMURTHY, *Compiler.*